

**ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT and ORDINANCE OF INTENTION FIRST CONSIDERATION relative to the formation of the Westchester Town Center Property (Property-Based) Business Improvement District (BID).**

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. FIND that:

- a. The petitions submitted on behalf of the proponents of the proposed Westchester Town Center Property BID are signed by property owners who will pay more than 50 percent of the assessments proposed to be levied.
- b. All parcels included in the BID will receive a special benefit from the improvements and activities that are to be provided.
- c. All parcels as identified in the Management District Plan, attached to the Council File, will have a special benefit conferred upon them and upon which an assessment would be imposed.
- d. In accordance with Article XIID of the California Constitution, all assessments are supported by the Engineer's Report, attached to the Council File, prepared by a registered professional engineer certified by the State of California.
- e. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, attached to the Council File, the assessment levied on each parcel within the proposed District is proportionate to the special benefit derived from the improvements and activities that are to be provided.
- f. In accordance with Article XIID of the California Constitution and based on the facts and conclusions contained in the attached Engineer's Report, attached to the Council File:
  - i. The engineer has separated the general from special benefits with said report identifying general benefits in the amount of 6 percent to be separated from the special benefits conferred on parcels within the proposed BID
  - ii. The yearly general benefits cost must be paid from funds other than the assessments collected for the Westchester Town Center Property BID.

- iii. The general benefit cost for first year of operation is \$29,839.00.
  - g. No publicly owned parcel is exempt from assessment.
  - h. The assessments for the proposed BID are not taxes and that the BID qualifies for exemption from Proposition 26 under exemption 7 of Article XIII C, Section 1(e).
  - i. The services to be provided by the Owners' Association are in the nature of professional, expert, technical or other special services, that the services are of a temporary and occasional character, and that the use of competitive bidding would be impractical, not advantageous, undesirable or where the common law otherwise excuses compliance with competitive bidding requirements.
  - j. The proposed improvements and activities are completely separate from the day-to-day operations of the City of Los Angeles.
- 2. APPROVE the Westchester Business Improvement Association, Incorporated to administer the Westchester Town Center Property BID if the BID is renewed.
- 3. ADOPT the:
  - a. May 11, 2021 preliminary City Clerk report, attached to the Council File.
  - b. The Management District Plan, attached to the Council File.
  - c. The Engineer's Report, attached to the Council File.
- 4. PRESENT and ADOPT the accompanying Ordinance of Intention dated May 11, 2021 to establish the Westchester Town Center Property BID.
- 5. AUTHORIZE the City Clerk, upon establishment of the BID, to prepare, execute and administer a contract between the City of Los Angeles and the Westchester Business Improvement Association, Incorporated, a non-profit corporation, for the administration of the BID's programs.
- 6. DIRECT the City Clerk to comply with the notice, protest, and hearing procedures prescribed in the Proposition 218 Omnibus Implementation Act (California Government Code, Section 53750 et seq.).
- 7. REQUEST the City Attorney, with the assistance of the City Clerk, to prepare and present an enabling Ordinance establishing the Westchester Town Center Property BID for City Council consideration at the conclusion of the required public hearing.

Fiscal Impact Statement: The City Clerk reports that assessments levied on the 16 City-owned properties within the BID to be paid from Westchester Town Center Property BID to the General Fund total \$5,398.64 for the first year of the BID. Funding is available in the BID Trust Fund 659 to pay the General Fund's share of assessments for the first operating year. Proposition 218 requires the separation of general benefits from the special benefits. The general benefit portion for the Westchester Town Center Property BID is \$29,839.00 for the first year. However, funds other than assessment revenue must be budgeted annually for the general benefit expense for the remaining years of the BID's ten-year term.

Community Impact Statement: None submitted.

Summary:

On May 25, 2021, your Committee considered a May 11, 2021 City Clerk report and Ordinance relative to the formation of the Westchester Town Center Property (Property-Based) BID. According to the City Clerk, the BID would be formed pursuant to the provisions of the Property and Business Improvement District Law of 1994 (Section 36600 et seq., Streets and Highways Code, State of California) and as such, the May 11, 2021 City Clerk report shall serve as the Preliminary Report. The BID was originally established through adoption of City Ordinance 178878 on June 6, 2007, and started its first operational term on January 1, 2007; its second operational term began on January 1, 2012 and is set to expire on December 31, 2021. The proponents propose to renew the District for a ten-year term beginning January 1, 2022 and ending December 31, 2031. The Property and Business Improvement District Law of 1994 (Section 36600 et seq., Streets and Highways Code, State of California) allows for business improvement districts to renew by completing the same formation steps as the original establishment. This District is being reestablished in accordance with the provisions of State Law, which allows for the establishment of a BID in which operations would be supported by revenue collected from property owners in the district.

In order to proceed with the establishment process under the State Law, the proponent group needed to secure written support for the project in the form of petitions signed by property owners who will pay more than 50% of the assessments proposed to be levied. The proponent group for the proposed District, the Westchester Business Improvement Association, Incorporated, has presented to the City Clerk a set of petitions that support the formation of the proposed BID. The City Clerk has verified the validity of the petitions using various City and County of Los Angeles sources. Also, the accuracy of the assessment calculations has been verified. The petitions received indicate affirmative financial support of the project in an amount equivalent to \$276,122.15 which represents 59.07% of the proposed District's projected first year assessment revenue of \$467,478.00. Because the more than 50%

threshold of preliminary support has been achieved, the formal business improvement district establishment process, including a public hearing before the City Council, may be initiated. PROPOSED DISTRICT BOUNDARIES The boundaries of the proposed District are detailed in the Management District Plan. A general description of the boundaries of the proposed District is as follows:

- From Manchester Boulevard, the east boundary runs south generally along Sepulveda Eastway and La Tijera Boulevard to Sepulveda Boulevard.
- From Sepulveda Boulevard, the south boundary runs generally along the south parcel lines of parcels APN 4122-024-918 (the open, green space on 92nd Street) and APN 4122-023-917 (vacant airport land) to Westchester Parkway.
- From Westchester Parkway, the west boundary runs northeast generally along La Tijera Boulevard to Sepulveda Westway to Manchester Avenue.
- The proposed District extends north of Manchester Avenue to Center Drive to include non-residential parcels that front Sepulveda and have been landscaped to form the “Sepulveda Landscape Entryway” to Westchester.

There are 291 parcels owned by 213 stakeholders in the proposed District. The map included in the District’s Management District Plan, attached to the Council File, gives sufficient detail to locate each parcel of property within the proposed BID. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the City Clerk as detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

PRICE: YES  
KREKORIAN: YES  
BLUMENFIELD: YES  
RAMAN: YES  
HARRIS-DAWSON: YES

ARL  
5/25/21

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**